

## BROWER PIVEN

DAVID A.P. BROWER  
[brower@browerpiven.com](mailto:brower@browerpiven.com)

A PROFESSIONAL CORPORATION  
488 MADISON AVENUE  
EIGHTH FLOOR  
NEW YORK, NEW YORK 10022  
Telephone (212) 501-9000  
Facsimile (212) 501-0300

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August 11, 2008

**BY ecf and Federal Express**

Honorable Richard M. Berman  
United States District Judge  
Daniel Patrick Moynihan  
United States Courthouse  
500 Pearl Street  
New York, NY 10007

Re: *Gelmis v. Earl W. Cole, III, et al.*, No. 1:08-cv-00980-RMB  
*Rothas v. Municipal Mortgage & Equity, LLC, et al.*, No. 1:08-cv-01120-RMB  
*Ross v. Earl W. Cole, III, et al.*, No. 1:08-cv-01299-RMB  
*Raphael v. Municipal Mortgage & Equity, LLC, et al.*, No. 1:08-cv-02190-RMB  
*Greenberg v. Michael L. Falcone, et al.*, No. 1:08-cv-02005-RMB

Dear Judge Berman:


We are counsel for lead plaintiff movant, the Kremser Group. We write on behalf of all parties, as Ordered by the Court, to provide this brief joint status report regarding the above-entitled actions as well as the related Municipal Mortgage & Equity LLC ("MuniMae") securities and shareholder derivative actions pending before the Honorable Marvin J. Garbis in the United States District Court for the District of Maryland (the "Maryland Actions").

On July 31, 2008, the Judicial Panel for Multidistrict Litigation ("JPMDL") heard oral argument regarding the motions for transfer and coordination of the MuniMae securities class actions and shareholder derivative actions in either the Southern District of New York or the District of Maryland. The JPMDL has yet to rule with respect to those motions.

In addition, on August 6, 2008, Judge Garbis issued a letter to all parties in the Maryland Actions and all lead plaintiff movants in the securities class actions concerning supplemental submissions to His Honor on the lead plaintiff issue. A copy of Judge Garbis' communications to the parties is annexed hereto as Exhibit A.

Should the Court have any questions, the parties stand ready to respond.

Respectfully yours,



David A.P. Brower

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Honorable Richard M. Berman  
August 11, 2008  
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cc: Hon. Marvin J. Garbis  
All Counsel of Record via ECF  
and email

# EXHIBIT A



UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND  
101 W. LOMBARD STREET  
BALTIMORE, MARYLAND 21201

Chambers of  
Hon. Marvin J. Garbis  
United States District Judge  
410-962-7700

August 6, 2008

TO ALL COUNSEL OF RECORD

Re: Municipal Mortgage Class Action Cases,  
MJG-08-269, 292, 386, 476 & 579

Dear Sir/Madam:

I understand that there has been a hearing before the Multi-District Panel in regard to pending cases involving Municipal Mortgage and Equity LLC regarding the transfer of all pending cases to a single district. I further understand that the parties have contended that the transfer should be either to the Southern District of New York or the District of Maryland.

In the event the Panel should decide to transfer all cases to the District of Maryland, I would wish to commence the litigation promptly. Accordingly, I wish to advise all counsel in pertinent Municipal Mortgage class action cases that, in the event there is a decision to transfer the cases to Maryland, I will promptly after being notified of the transfer issue an Order regarding the selection of Lead Plaintiffs and Counsel in the class actions, and shortly thereafter intend to proceed to designate Lead and Liaison Plaintiffs' Counsel in the derivative cases.

In the interim, counsel for any putative Lead Plaintiff may supplement their presentations with information that was not available at the hearing held in this matter. In addition, in view of the positions taken by counsel for the Kremser and Yates Groups, if they wish me to consider their joint selection, they should advise me and also state who would be the one Lead Plaintiffs' attorney with whom I would be communicating if they were selected.

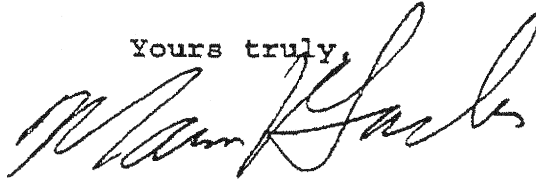
COUNSEL OF RECORD

August 6, 2008

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Finally, please be advised that I have sent a letter to counsel for Plaintiffs in the related derivative suits and enclose a copy for your information.

Yours truly,

A handwritten signature in dark ink, appearing to read "Marvin J. Garbis", written in a cursive style.

Marvin J. Garbis  
United States District Judge



UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND  
101 W. LOMBARD STREET  
BALTIMORE, MARYLAND 21201

Chambers of  
Hon. Marvin J. Garbis  
United States District Judge  
410-962-7700

August 6, 2008

TO ALL COUNSEL OF RECORD

Re: Municipal Mortgage Derivative Cases,  
(MJG-08-670,802,805,1258)

Dear Sir/Madam:

I understand that there has been a hearing before the Multi-District Panel in regard to pending cases involving Municipal Mortgage and Equity LLC regarding the transfer of all pending cases to a single district. I further understand that the parties have contended that the transfer should be either to the Southern District of New York or the District of Maryland.

In the event the Panel should decide to transfer all cases to the District of Maryland, I would wish to commence the litigation promptly. Accordingly, I wish to advise all counsel in pertinent Municipal Mortgage derivative cases that, in the event there is a decision to transfer the cases to Maryland, I will immediately upon being notified of the transfer issue an Order that will require counsel in all such cases to, within a week:

1. Provide any further submissions that may be appropriate regarding presently pending motions.
2. Provide their respective positions regarding further proceedings in these derivative cases, including:
  - a. Which case (or cases) should actively proceed and which should be stayed.

COUNSEL OF RECORD

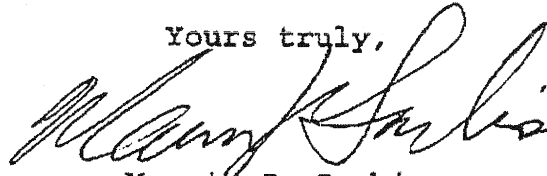
August 6, 2008

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- b. The selection of lead counsel for the Plaintiffs in the derivative cases.
- c. The coordination of the derivative cases with the related class action litigation.

I am providing a copy of this letter to counsel in Greenberg v. Falcone, Case No. 08-2005 (S.D.N.Y.) and ask defense counsel (1) to provide a copy of this letter to counsel in any other derivative case that may be pending and (2) advise me by letter of any such counsel to whom a copy of the letter has been sent.

Yours truly,

A handwritten signature in dark ink, appearing to read "Marvin J. Garbis", is written over the typed name.

Marvin J. Garbis

United States District Judge

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND

FACSIMILE COVER SHEET

from:



The Hon. Marvin J. Garbis  
5-C United States Courthouse  
101 W. Lombard Street  
Baltimore, MD 21201  
(410) 962-7700  
(410) 962-0896 (fax)

TO	FAX NO.	PHONE NO.
Charles J. Piven, Esquire Marshall N Perkins, Esquire	410-685-1300	410-332-0030
Paul Stephen Caiola, Esquire Kevin P Sullivan, Esquire	410-468-2786	410-727-7702
Andrew Radding, Esquire Gregory M Kline, Esquire	410-539-5834	410-539-5195
David Avi Rosenfeld, Esquire Mario Alba, Jr, Esquire	631-367-1173	631-367-7100
Steven J. Toll, Esquire	202-408-4699	202-408-4600
Glenn Edward Mintzer, Esquire	410-649-2148	410-649-2000
Robert G. Houck, Esquire	212-878-8375	212-878-3224
James B. Weidner, Esquire	212-878-8375	212-878-8235
David William Tod Daniels, Esquire Sarah Putnan Swanz, Esquire	202-261-2999	202-261-2967
Michael F Flanagan, Esquire	202-530-9549	202-955-8500

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MESSAGE

Re: Municipal Mortgage & Equity, LLC  
Case Nos. MJG-08-269, 292, 386, 476 and 579

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